

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: ROYAL TELEPHONE CO.	DOCKET NO. SPU-99-12
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ORDER APPROVING INTRALATA DIALING PARITY PLAN

(Issued June 22, 1999)

On April 22, 1999, Royal Telephone Co. (Royal) filed for the Board's consideration and approval a plan for implementing intraLATA dialing parity. Royal generally proposes to allow customers to choose their intraLATA carrier prior to the implementation of intraLATA dialing parity and to assign customers who do not make an affirmative choice to a long-distance subsidiary of Royal Telephone Company that is yet to be established. The subsidiary will provide interexchange services through Iowa Network Services.

Royal does not propose any mechanism to recover the cost of implementing intraLATA dialing parity.

Royal provided a proposed customer notification form for direct mailing and asks that the Board approve the form. The proposed notice will inform customers that they have 90 days from the date of implementation (which is projected to be July 21, 1999) to designate an initial preferred intraLATA carrier without incurring a PIC charge.

On May 5, 1999, the Consumer Advocate Division, Department of Justice (Consumer Advocate) filed a "Response To IntraLATA Dialing Parity Plan."

Consumer Advocate does not state whether it has an objection to Royal's plan, but notes that the plan provides only 90 days for customers to evaluate their intraLATA carrier choices and make a change from the default provider. Consumer Advocate also notes that the plan does not specify how Royal intends to ensure competitive neutrality when new customers are choosing their intraLATA carrier. Consumer Advocate suggests that the Board should require Royal to amend its plan to extend the PIC charge waiver to 120 days and to clarify how it intends to assure competitive neutrality when new customers choose an intraLATA carrier when initiating local service.

On May 24, 1999, Royal filed an "Amended Implementation Plan" giving customers 120 days to change from the default provider without incurring a PIC change charge and stating that Royal will not market its intraLATA services to customers who call to initiate local service.

On May 27, 1999, the Consumer Advocate filed an amended response to Royal's plan, withdrawing its objection to the plan as amended.

The Board will approve Royal's amended plan for implementation of intraLATA dialing parity.

IT IS THEREFORE ORDERED:

The IntraLATA Dialing Parity Plan filed by Royal Telephone Company on April 22, 1999, as amended by Royal on May 24, 1999, is approved.

UTILITIES BOARD

/s/ Allan T. Thoms

/s/ Susan J. Frye

ATTEST:

/s/ Raymond K. Vawter, Jr.
Executive Secretary

/s/ Diane Munns

Dated at Des Moines, Iowa, this 22nd day of June, 1999.